



# The added economic and environmental value of plug-in electric vehicles connected to commercial building microgrids

Michael Stadler, Ilan Momber, Olivier Mégel, Tomáz Gómez, Chris Marnay, Sebastian Beer, Judy Lai, and Vincent Battaglia

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MStadler@lbl.gov

http://der.LBL.gov/







#### **Outline**





- global concept of microgrid and electric vehicle (EV) modeling
- Lawrence Berkeley National Laboratory's Distributed Energy Resources Customer Adoption Model (DER-CAM)
- example EV connection to an office building, optimal interaction with a microgrid
- example demand response, CO<sub>2</sub> tax, annual building energy costs, CO<sub>2</sub> emissions

Do EVs support financial as well as environmental benefits of on-site generation at microgrids?

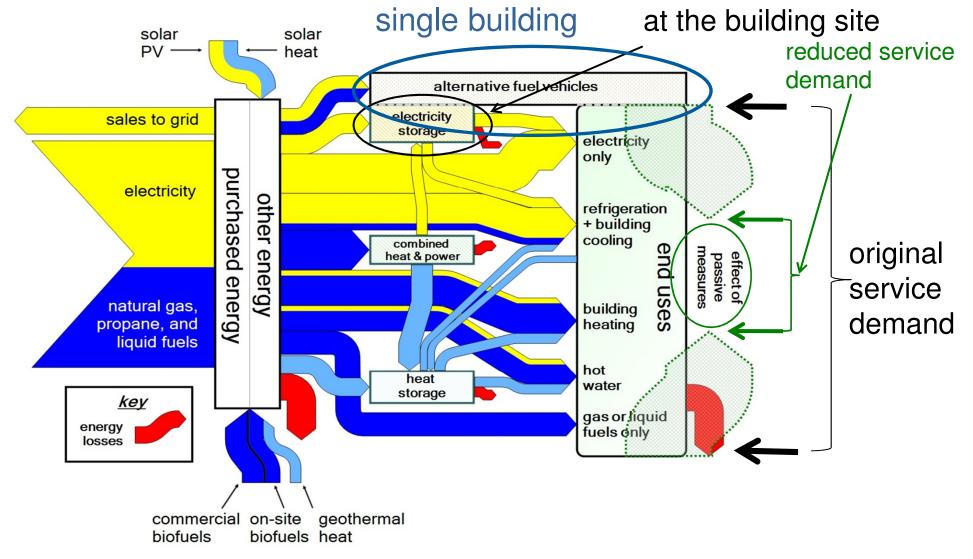
• conclusions



#### Global concept













# The Distributed Energy Resources Customer Adoption Model (DER-CAM)

#### **DER-CAM**





- is a deterministic Mixed Integer Linear Program (MILP), written in the General Algebraic Modeling System (GAMS®)
- minimizes annual energy costs, CO<sub>2</sub> emissions, or multiple objectives of providing services to a building microgrid
- produces technology neutral pure optimal results, delivers investment decision and operational schedule
- has been designed for more than 9 years by Berkeley Lab and collaborations in the US, Germany, Spain, Belgium, Japan, and Australia → exchange visitors
- first commercialization and real-time optimization steps, e.g. Storage & PV Viability Optimization Web-Service (SVOW), http://der.lbl.gov/microgrids-lbnl/current-project-storageviability-website



# **Example analysis**





# 2020 Equipment Options, Tariffs, and Building Analyzed

### **Equipment**





- EVs belong to employees/commuters
- EVs can transfer energy to the office building and vice versa
- the building energy management system (EMS) can manage (charge/discharge) the EV batteries during office hours
- EV owner receives exact compensation for battery degradation and receives a fixed amount of \$80/year

EV-building connection period	9am – 6pm
EV-home connection period	8pm – 7am
EV battery state-of-charge (SOC) when arriving at the office building	73%
EV battery SOC when leaving the office building	≥32%
EV battery charging efficiency	95.4%
EV battery discharging efficiency	95.4%
EV battery capacity	16 kWh
Maximum EV battery charging rate	0.45 [1/h]



# **Equipment**





- also combined heat and power (CHP), PV, solar thermal, stationary battery, etc. is considered
- technology costs in 2020 are based on "Assumptions to the Annual U.S. Energy Outlook", e.g.
  - fuel cell (FC) with heat exchanger (HX): \$2220 -\$2770/kW, lifetime: 10 years
  - internal combustion engine (ICE) with HX: \$2180 -\$3580/kW, lifetime: 20 years
  - > PV: \$3237/kW, lifetime: 20 years
  - stationary battery: \$193/kWh
  - > etc.

Details can be found in full paper.



# **Building / tariffs**





- electricity and gas loads for a San Francisco Bay Area office building are passed on the California Commercial End-Use Survey (CEUS)
  - > peak electric demand: 373 kW
  - > annual electricity demand: 1.677 GWh
  - annual natural gas consumption: 0.713 GWh
- TOU rates and demand charges:
  - on-peak electricity up to 0.16 \$/kWh
  - off-peak rates around 0.10 \$/kWh
  - Demand charges up to 10.27 \$/kW-month
- electric rate at residences (homes): \$0.062/kWh (plus any CO<sub>2</sub> price)



#### **Example analysis**





#### **Optimization Results**

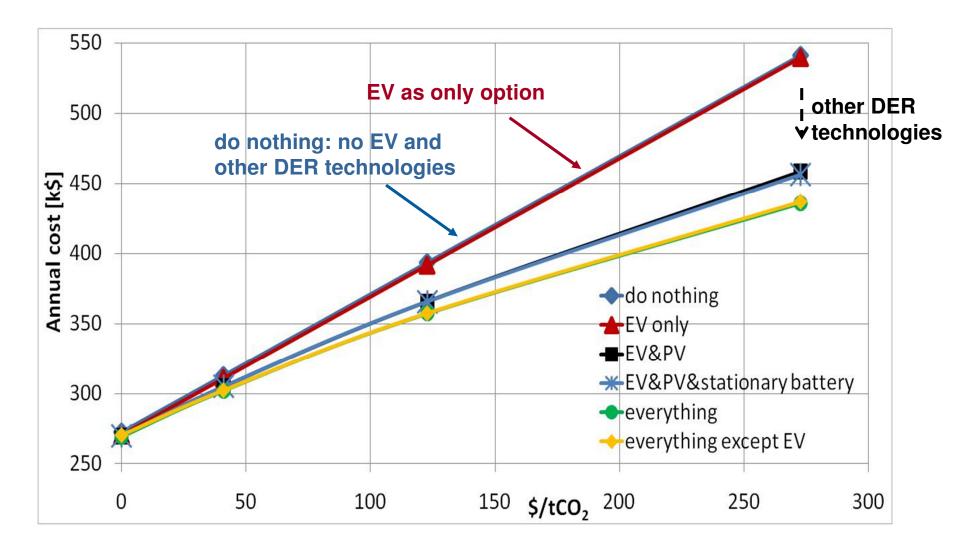
Optimal Investments in DER
Technologies and Operation,
Optimal EV Discharging / Charging
to Minimize Energy Costs at Office
Building



#### Building energy costs vs. CO<sub>2</sub> tax





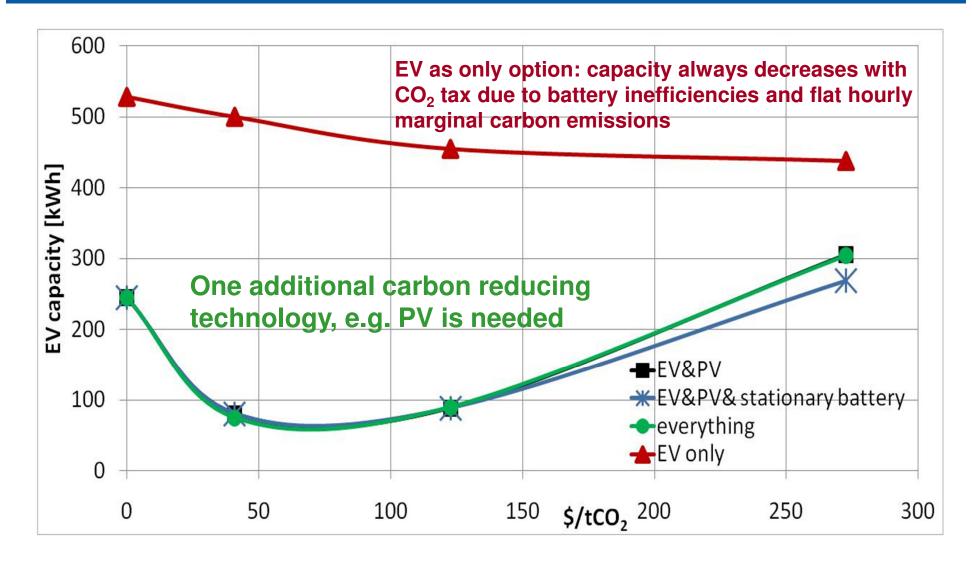




#### EV capacity vs. CO<sub>2</sub> tax







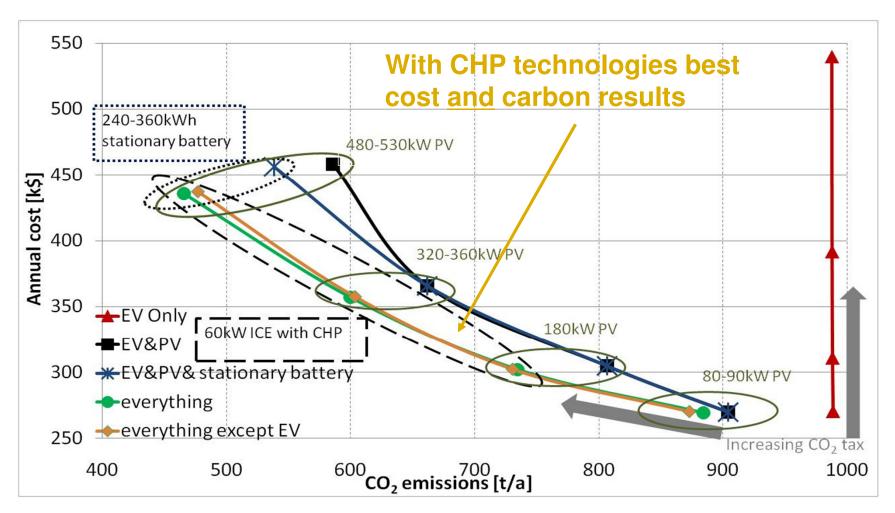


#### Building energy costs vs. CO<sub>2</sub> emissions





Annual Office Building Energy Costs and CO<sub>2</sub> Emissions subject to CO<sub>2</sub> Tax

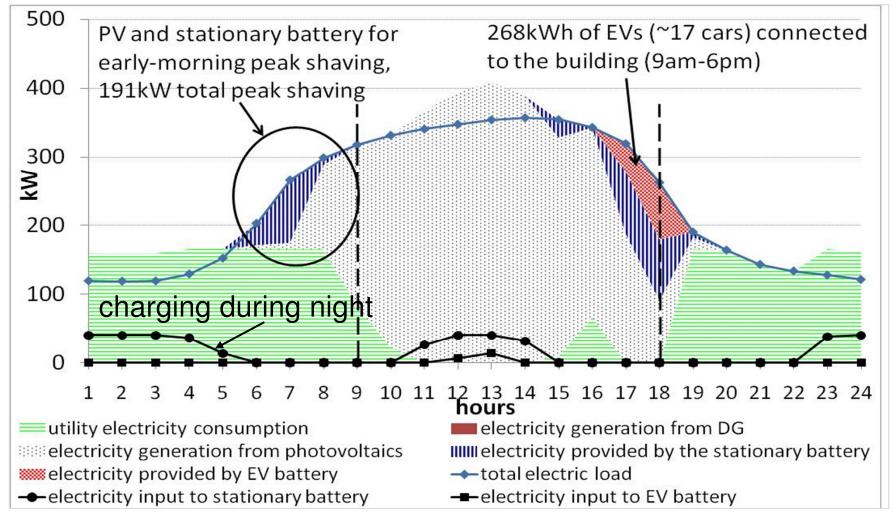


#### Diurnal electricity pattern, highest CO<sub>2</sub> tax





#### EV&PV&stationary battery case, July weekday



#### **Electric vehicle**





#### **Conclusions**

# **Building / tariffs**





- in almost all cases no energy is transferred to the residence
- high CO<sub>2</sub> prices favor PV, but all its energy is used in the office building
- EV and stationary batteries absorb some electricity from PV and release it in the afternoon, when the PV output is down
- EVs are effectively used to reduce TOU and demand charges at the office building
- due to the limited connection time of EV batteries, stationary batteries and CHP are more attractive to the office building
- California macrogrid CO<sub>2</sub> emissions are very flat and more volatile CO<sub>2</sub> emissions would change the results.



#### **More literature**

Momber Ilan, Tomás Gómez, Giri Venkataramanan, Michael Stadler, Sebastian Beer, Judy Lai, Chris Marnay, and Vincent Battaglia: "Plug-in Electric Vehicle Interactions with a Small Office Building: An Economic Analysis using DER-CAM," IEEE PES 2010 General Meeting, Power System Analysis and Computing and Economics, July 25th - 29th, 2010, Minnesota, USA, LBNL-3555E.

Siddiqui Afzal, Michael Stadler, Chris Marnay, and Judy Lai: "Optimal Control of Distributed Energy Resources and Demand Response under Uncertainty," IAEE's Rio 2010 International Conference, 6-9 Juni 2010, InterContinental Rio Hotel – Rio de Janeiro, Brasilien.

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"The CO<sub>2</sub> Abatement Potential of California's Mid-Sized Commercial Buildings." Michael Stadler, Chris Marnay, Gonçalo Cardoso, Tim Lipman, Olivier Mégel, Srirupa Ganguly, Afzal Siddiqui, and Judy Lai, California Energy Commission, Public Interest Energy Research Program, CEC-500-07-043, 500-99-013, LBNL-3024E, Dezember 2009.

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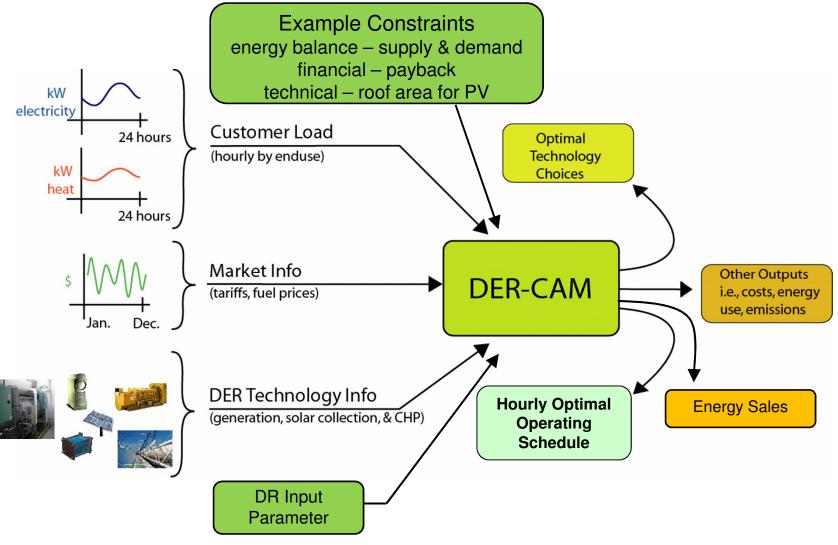
# Thank you!

# Questions and comments are very welcome.

# **High-level schematic**









#### Representative MILP





#### **Energy balance**

- +energy purchase
- +energy generated onsite
- = onsite demand + energy sales

# Simplified\* DER-CAM model

#### **Operational constraints**

- -generators, chillers, etc. must operate within performance limits
- -heat recovered is limited by generated waste heat -solar radiation / footprint constraint

#### Objective function, e.g. min. annual energy bill for a test year:

- +energy purchase costs
- +amortized DER technology capital costs
- +annual O&M costs
- + CO<sub>2</sub> costs
- energy sales

#### **Financial constraints**

-max. allowed payback period, e.g. 12 years

#### **Regulatory constraints**

- -minimum efficiency requirement
- -emission limits
- -CO<sub>2</sub> tax
- -CA min. eff. requirement for subsidy and (in future) feed-in tariff
- -7NFB

#### **Storage and DR constraints**

- -electricity stored is limited by battery size
- -heat storage is limited by reservoir size
- -max. efficiency potential for heating and electricity

#### \*does not show all constraints

